BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF QEP ENERGY COMPANY FOR AN ORDER AUTHORIZING THE FLARING OF GAS IN EXCESS OF THE AMOUNTS ALLOWED UNDER UTAH ADMIN. CODE RULE R649-3-20(1.1) FROM A TOTAL OF SIX WELLS LOCATED WITHIN TOWNSHIP 10 SOUTH, RANGES 17 AND 18 EAST, DUCHESNE AND UINTAH COUNTIES, UTAH.

NOTICE OF HEARING

Docket No. 2013-017 Cause No. 259-03

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on **WEDNESDAY**, **JUNE 26**, **2013**, **at 9:00 AM**, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq. and as provided for in Utah Code Ann. § 40-6-1 et seq. and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Request for Agency Action that the Board enter an Order:

1. Authorizing QEP as operator of the WR 16G-32-10-17 well located in the SE1/4SE1/4 of Section 32, T10S, R17E, and the WRB 16-17-10-17 well located in the SE1/4SE1/4 of Section 17, T10S, R17E, both in Duchesne County, Utah, the RB DS 1G-7-10-18 well located in the NE1/4NE1/4 of Section 7, T10S, R18E, the RB DS 14G-8-10-18 well located in the SE1/4SW1/4 of Section 8, T10S, R18E, the DS 14G-6-10-18 well located in the SE1/4SW1/4 of Section 6, T10S, R18E, and the DS 14G-7-10-18 well located in the SE1/4SW1/4 of Section 7, T10S, R18E, all in Uintah County, Utah, hereinafter referred to as the "Subject Wells", to flare gas in excess of amounts currently allowed under Utah Admin. Code Rule R649-3-20(1.1), until construction of the pipeline to the wells is completed; provided, however, that if construction of the pipeline to the WR 16G-32-10-17 and WR 16G-17-10-17 Wells will not be completed by September 1, 2013, and the remainder of the Subject Wells by November 1, 2013, QEP shall prepare

and submit a written report to the Division by August 1, 2013, or October 1, 2013, respectively, or as soon as QEP becomes aware that construction will not be timely completed, explaining the circumstances and when construction will be completed such that if the Division so determines, QEP shall reappear before the Board to submit additional evidence and testimony in conformance with Utah Admin. Code Rule R649-3-20(5) to reflect that the authorized flaring is still justified or that modification of the Order is instead required; and

2. Providing for such other and further relief as may be just and equitable under the circumstances.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than June 14, 2013. A party must file a timely written objection or other response in order to participate as a party at the Board hearing.

Natural persons may appear and represent themselves before the Board. All other representation by parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 24th day of May, 2013.

STATE OF UTAH BOARD OF OIL, GAS AND MINING James T. Jensen, Chairman

Julie Apri Carter
Board Secretary

1594 West North Temple, Suite 1210

Salt Lake City, Utah 84116

(801) 538-5277

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing **NOTICE OF HEARING** for Docket No. 2013-017, Cause No. 259-03 to be mailed via E-Mail, and First Class Mail, with postage prepaid, this 24th day of May, 2013, to the following:

Beatty & Wozniak Pc William E. Ward David P. Bolda 7440 Creek Road, Suite 300 Sandy, UT 84093

Michael S. Johnson Assistant Attorney General Utah Board of Oil, Gas & Mining 1594 West North Temple, Suite 300 Salt Lake City, UT 84116 [Via Email]

BUREAU OF LAND MANAGEMENT Utah State Office 440 West 200 South, Suite 500 Salt Lake City, UT 84101-1345

SITLA 675 East 500 South, Suite 500 Salt Lake, City UT 84102

ROBERT L BAYLESS PRODUCTION LLC 621 17th Street, Suite 2300 Denver, CO 80293

GASCO PRODUCTION COMPANY 7979 East Tufts Ave ,Suite 1150 Denver, CO 80237 QEP ENERGY COMPANY Attention: Raul Chavez 1050 17th Street, Suite 500 Denver, CO 80265

Steven F. Alder Assistant Attorney General Utah Division of Oil, Gas & Mining 1594 West North Temple, Suite 300 Salt Lake City, UT 84116 [Via Email]

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III EXPLORATION II LP P.O. Box 70019 Boise, ID 83707

III EXPLORATION II LP 960 Broadway Avenue, Suite 500 Boise, ID 83706

Julie Am Contan

CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2013-017, Cause No. 259-03 to be PUBLISHED in the following newspapers on the following days:

June 2, 2013:

The Salt Lake Tribune and Deseret Morning News, newspapers of general circulation in Salt Lake City and County.

June 4, 2013:

<u>Uintah Basin Standard</u>, a newspaper of general circulation in Duchesne and Uintah Counties.

June 5, 2013:

<u>The Vernal Express</u>, a newspaper of general circulation in Daggett and Uintah Counties.

Julie Amu Cartar